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Electricity Pricing: Choices For The 80's

American Attitudes on Electricity Pricing and Economic Growth

Survey Conducted by
Cambridge Reports, Inc.
For Union Carbide Corporation

CALIFORNIA

UNION CARBIDE
Corporate Communications Department
270 Park Avenue
New York, N.Y. 10017

Preface

Electricity has become an issue of increasing public concern. After decades of *declining* prices, rapid increases in charges to all electricity consumers occurred during the 1970s. Higher costs incurred by the utilities—especially the rapid escalation of the cost of fuel needed to generate electricity—have made it necessary for utilities to increase the rates they charge for electricity sold to factories, stores, and homes.

Since 1972, the price charged for each unit of electricity used by industry has increased almost *twice* as much as the price charged for each unit used by residential consumers. Electricity rates to industry rose nearly 20% in 1980, putting an onerous burden on those industries that are electricity-intensive in their operations. But while these higher electricity charges to industry are almost inevitably passed along in the total price consumers pay for goods and services, Americans are more immediately concerned about the increases in the electricity bills they pay at home. So not surprisingly, the price of residential electricity has been the main factor in the public debate about electricity price structures.

What is not generally appreciated by the public is that the sharp increases in industry's electric rates are partly the result of rate-making policies that force industry to subsidize other types of users.

Inescapable increases in utility generating costs and higher rates for electricity users have led some federal and state policymakers to try to hold down rises in residential rates by moving away from the historical formula used to set electricity rates, a formula called "cost of service." The "cost of service" principle means that utilities charge each different class of customer what it actually costs to supply that class with the electricity it uses. Since it costs a utility more to bring one kilowatt hour of electricity to a single family home than to a large manufacturing facility because of economies of scale, home owners pay more under cost of service for that one kilowatt than do industrial customers.

Many different rate-making approaches have been proposed that would circumvent the cost-of-service principle. Almost all of these approaches require industry and commerce to subsidize other electricity users by having industry's rates raised disproportionately when compared to the rates of other classes of users. In California, for example, residential rates rose 140% from 1972 to 1980. Commercial rates have increased 228% and industrial rates escalated 364% in the same period.

Union Carbide and its employees, customers, shareholders and the communities in which we operate have a vital stake in seeing America develop sound electricity pricing policies. In 1980, Union Carbide purchased 10.4 billion kilowatt hours of electricity, enough to supply the entire State of California for one month. Over the

past 8 years, Union Carbide's sales increased about 200% while consumption of electricity increased only 20%, largely because of strenuous conservation efforts. In this same period, Union Carbide's electricity costs rose almost 400%, and we expect them to increase more than 1200% over the next 20 years. By the year 2000, we expect that we will be using more than twice as much electricity as we did in 1980 to keep pace with expansions of our businesses.

Because Union Carbide believes that public opinion is a key factor in determining both the direction and the success of public policies, we commissioned a public opinion survey in the Summer of 1981 to gauge the public mood about electricity pricing, electricity supplies, and the public's sentiment on electricity pricing policy choices. Since electricity policies are decided at the state as well as at the national level, we also commissioned in-depth surveys in six states where Union Carbide has major operations—Connecticut, West Virginia, Alabama, Louisiana, Ohio, and California.

To test the implications of various electricity pricing approaches on industry, a battery of questions were asked relating pricing policies to economic growth, jobs, and the prices people pay for what industry produces. Most Californians say they do not want electricity pricing practices to stand in the way of economic growth in the areas in which they live.

- About 7 out of 10 Californians recognize that industry pays attention—3 in 10 saying "a lot of attention"—to what the electric rates are when making a plant location decision.

- Approximately 6 out of 10 oppose charging industry more than it costs to supply them with electricity if it means that some companies might not expand their operations, move operations elsewhere, or that the number of new plants and jobs in their area would be reduced.

- About 8 out of 10 Californians recognize that the prices charged by industry are affected by what industry pays for electricity—3 in 10 saying "a large effect." And nearly 6 out of 10 oppose raising industrial electrical rates, if, in fact, this did lead to increased prices for the goods and services industry produces.

The public's concern about the health of the American economy, reflected in this survey by their choice of policy alternatives that support economic growth, is consistent with the findings of three earlier surveys of public attitudes on economic issues sponsored by Union Carbide. We found in these surveys, conducted from late 1979 through early 1981, that Americans expressed strong and consistent concerns about our economy; had an awareness that America has to do a better job of competing in the world; and believed that government is the main institutional cause for the decline in the growth and competitiveness of our economy. The

results of these surveys reinforced findings of public opinion polls commissioned by others that showed that economic issues were the subjects most troubling to the public as the nation entered the new decade.

As the *Vital Consensus* (published in April, 1980) found, most Americans believed economic growth helped them personally and benefited the entire nation as well; they found growth highly desirable, but they were pessimistic about the likelihood of economic growth in the coming years. *Adversaries or Allies* (published in November, 1980) found almost universal agreement that our difficult economic problems—such as the high rate of inflation, rising energy costs, and inefficient governmental regulations—are exacerbated by needless conflicts among the various sectors of our society. And the public said they wanted all of our institutions—including government and business—to work together more closely to solve these problems. *The Emerging Consensus* (published in April, 1981) found continuing concern over the present state of the economy, general agreement that our economic problems were both a cause and a consequence of our present international trade difficulties, and a growing consensus that government and business must work together more closely if American industry is to become more competitive within a structure of international trade that is fair to all nations.

This fourth survey found most Americans continuing to select policy alternatives that would encourage industrial expansion, jobs, and sound economic growth. On the specific issue of electricity pricing, significant majorities concluded that their personal interests will be served best by the cost of service pricing approach.

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MONITION

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Introduction

This is an analysis of a survey of public attitudes toward the problem of electricity supply and cost in California and toward a number of possible electricity pricing policy options. The survey was conducted using a sample of 355 adults scientifically selected to reflect the attitudes of the entire over-18, non-institutionalized population of California. All interviews were conducted by telephone on a confidential basis by trained, professional interviewers under the supervision of Cambridge Reports, Inc. field staff, between July 17 and July 29, 1981.

Objectives

This survey has the following objectives:

* To assess overall public awareness of and concern abut the supply of electricity in California;
* To measure current attitudes toward electric utilities and the rates they charge; and
* To determine attitudes toward various electric utility rate issues.

Methodology

The methods used in this survey were the same professional ones used in all Cambridge Reports, Inc. surveys. All interviews were conducted by trained, professional interviewers under the supervision of the Cambridge Reports, Inc. field staff and were returned to Cambridge for coding and data processing using modern computer methods.

Notes on analysis

In reading through the report, please keep in mind the following points:

* The marginals on demographic charts (the number to the left of each demographic designation) show the percentage that the group represents of the overall base population; when the marginal is 15% or less on charts where the base population is approximately 355, conclusions based on these responses should be made with caution, as the numbers are based on a sample size too small to be entirely reliable;

* A copy of the questionnaire appears in Appendix A, for quick referrals;

* Demographic charts discussed, but not included, in the text are available upon request from the Union Carbide Corporate Communications Department;

* In some cases, tables and charts may not add to exactly 100% due to rounding.

Summary

This survey of the attitudes of California residents toward electric utility issues was conducted simultaneously with a national survey using the same questionnaire. The full analysis of the national survey results can be found in the report "Public Attitudes about Electric Utility Issues." The present report highlights how the attitudes of California residents revealed in the survey compare to the attitudes of the American public as a whole.

On the major points of the survey, we find that the views of the citizens of California closely resemble those of all Americans. We do see significant differences, though, in the attitudes of Californians as they relate to energy supply and sources of energy.

First of all, Californians are more concerned than the nation as a whole about having an adequate supply of energy over the long term. This may well be a spinoff from the rapid populatin growth in California, which raises the spectre of shortages of such resources as water and land, as well as energy.

Californians also display much less enthusiasm than people living in other areas about coal as a source of electricity. Since they are as skeptical as the rest of the nation about nuclear power, this raises the problem of how their needs will be met in the future.

In terms of attitudes toward cost-of-service pricing, the pattern of California is similar to the national pattern. That is, California residents support the overall concept of cost-of-service pricing, but are skeptical when they learn that industry might, as a result, pay a lower per unit price for electricity than residential customers. Only when they see benefits for themselves--in terms of lower prices for consumer goods or greater economic development--do they truly favor cost-of-service pricing as a practical choice.

The Problem of Electricity Supplies

The first part of our survey checked people's expectations about electricity supply problems in their area, both now and over the long term, and we then went on to ask people how they feel about various ways of ensuring adequate supplies of electricity.

The responses to these questions reveal some significant differences between the views of California residents and the views of American public as a whole. Looking at the question of how difficult people feel it will be to have adequate electricity supplies in 10 years, we see that Californians are significantly more concerned than the nation as a whole. Nearly two out of three California residents place the problem on the "difficult" side of the scale.

How difficult 10 years from now do you think the problem of providing an adequate and reliable supply of electricity will be in your area?

	Not difficult at all						Very difficult	[DON'T KNOW]
	1	2	3	4	5	6	7	8
National	11%	7	11	12	17	14	24	5
California	9%	4	10	10	14	17	33	4

Demographic breakdowns show that in California, women are significantly more concerned than men about the supply of electricity in a decade's time. Worry about supply problems also increases with the educational level of the respondent. Finally, people over age 55--quite understandably--display less concern than younger people about long-run energy supply problems. A complete demographic analysis follows.

On a scale from "1" to "7," where "1" means "not difficult at all" and "7" means "very difficult," I would like you to tell me how difficult you feel the problem of providing an adequate and reliable supply of electricity in your area is. The more difficult you feel the problem is, the higher the number you would give: How difficult 10 years from now do you think the problem of providing an adequate and reliable supply of electricity will be in your area?

1. NOT DIFFICULT 2.
3. 4.
5. 6.
7. VERY DIFFICULT 8. DK

	Responses = 354	1.	2.	3.	4.	5.	6.	7.	8.
	MARGINALS	9	4	10	10	14	17	33	4
	18. PRICE BASED ON UTILITY'S COSTS								
29	TOTALLY	10	5	10	9	16	16	29	4
31	MOSTLY	8	0	11	14	10	18	36	3
34	SOMEWHAT	8	7	7	8	15	18	33	3
5	NOT AT ALL	12	11	7	18	12	7	27	6
2	DK	0	0	35	0	0	0	50	15
	27. SEX								
50	FEMALE	6	3	7	10	12	15	42	4
50	MALE	11	5	13	10	15	18	23	4
	28. EDUCATION								
8	SOME HIGH	8	0	8	27	12	19	28	0
32	HIGH GRAD	6	3	11	6	16	16	38	4
33	SOME COLLEGE	9	4	7	16	11	18	32	3
27	COLLEGE PLUS	12	7	11	4	14	16	31	5
0	DK	0	0	100	0	0	0	0	0
	29. INCOME								
14	0-9999	6	4	12	8	15	13	34	8
24	10-19999	6	6	8	10	13	14	39	4
56	20K AND OVER	9	4	9	11	15	20	31	2
6	REFUSED	23	0	19	10	5	9	25	9
	30. AGE								
47	18-35	5	5	10	13	15	17	32	2
30	36-55	12	2	12	6	14	15	36	4
21	55 AND OVER	12	5	7	11	12	20	28	7
1	REFUSED	19	0	22	0	0	0	59	0

Turning to the issue of how to increase electricity supplies, we see another difference. While Californians do support the use of coal to generate electricity, they are clearly more skeptical than other Americans about this potential source of affordable electricity. As the next table shows, support for coal is 10 points lower in California than in the nation as a whole.

I'm going to read you a proposal for ways of providing an adequate supply of electricity, and I'd like you to tell me whether you strongly favor, favor, oppose, or strongly oppose it: increasing our use of coal to generate electricity.

	Strongly favor	Favor	Oppose	Strongly oppose	(Don't know)
National	23%	57	13	5	2
California	19%	51	19	7	4

Furthermore, demographic breakdowns show that support for coal drops among higher-income and better-educated people. A complete demographic analysis follows.

I'm going to read you some proposals for ways of providing an adequate supply of electricity, and I'd like you to tell me whether you strongly favor, favor, oppose, or strongly oppose each one: increasing our use of coal to generate electricity.

1. STRONGLY FAVOR
2. FAVOR
3. OPPOSE
4. STRONGLY OPPOSE
5. DK

	Responses = 353	1.	2.	3.	4.	5.
	MARGINALS	19	51	19	7	4
	18.PRICE BASED ON UTILITY'S COSTS					
29	TOTALLY	25	44	20	9	1
30	MOSTLY	17	54	21	8	1
34	SOMEWHAT	16	55	17	3	8
5	NOT AT ALL	12	43	13	26	6
2	DK	18	50	32	0	0
	27.SEX					
50	FEMALE	19	51	18	8	5
50	MALE	19	51	21	7	2
	28.EDUCATION					
8	SOME HIGH	34	54	8	4	0
32	HIGH GRAD	26	49	16	5	4
33	SOME COLLEGE	18	47	23	7	5
27	COLLEGE PLUS	7	56	22	12	3
0	DK	0	100	0	0	0
	29.INCOME					
14	0-9999	20	52	10	9	8
24	10-19999	18	54	22	2	4
56	20K AND OVER	18	49	21	9	3
6	REFUSED	23	49	19	9	0
	30.AGE					
47	18-35	17	52	25	3	2
30	36-55	21	47	15	13	5
21	55 AND OVER	19	55	12	10	4
1	REFUSED	41	19	41	0	0

Electric Utilities and Their Rates

The second part of our survey, which tested people's perceptions about electric rates and about the possible causes of rate increases, reveals another difference between California residents and the nation as a whole.

Not surprisingly, given the responses we first looked at, Californians are significantly less likely than other Americans to blame current energy cost problems on the slow pace of conversion to coal. As the next table shows, the proportion of Californians who consider this is a very important factor in electricity price increases is 13 points lower than the proportion in the nation as a whole.

Here is a reason some people give for the rise in electricity prices during the last 5 years or so. Please tell me whether you think this is a very important, somewhat important, not very important, or not at all important reason for rising electricity prices: the slow pace of conversion to greater use of coal to generate electricity.

	Very important	Somewhat important	Not very important	Not at all important	(Don't know)
National	46%	35	13	4	3
California	33%	38	18	8	3

Demographic breakdowns show that, among Californians, men are somewhat more likely than women to say the failure to move more quickly to coal is a major cause of increased electricity prices. Poorer and less-educated people--who, as we have seen, are more likely than their counterparts to support coal--are also more likely to blame increased prices on the slow pace of conversion. Older people are significantly more likely than younger people to see the lack of effort in coal conversion as an important factor in higher prices. A complete demographic breakdown follows.

Here are reasons some people give for the rise in electricity prices during the last 5 years or so. Please tell me if you think each of these is a very important, somewhat important, not very important, or not at all important reason for rising electricity prices: the slow pace of conversion to greater use of coal to generate electricity.

1. VERY IMPT
2. SOMEWHAT IMPT
3. NOT VERY IMPT
4. NOT IMPT AT ALL
5. DK

		1.	2.	3.	4.	5.
Responses = 354						
MARGINALS		33	38	18	8	3
	18. PRICE BASED ON UTILITY'S COSTS					
29	TOTALLY	37	37	17	9	1
31	MOSTLY	26	40	21	8	5
34	SOMEWHAT	35	39	16	7	4
5	NOT AT ALL	48	19	26	7	0
2	DK	18	50	0	18	15
	27. SEX					
50	FEMALE	30	43	17	6	4
50	MALE	36	33	19	9	3
	28. EDUCATION					
8	SOME HIGH	53	36	8	3	0
32	HIGH GRAD	36	35	16	9	4
33	SOME COLLEGE	33	39	15	7	5
27	COLLEGE PLUS	23	41	28	7	1
0	DK	0	0	0	100	0
	29. INCOME					
14	0-9999	37	37	13	10	4
24	10-19999	36	35	18	7	4
56	20K AND OVER	31	38	20	7	3
6	REFUSED	34	47	9	9	0
	30. AGE					
47	18-35	27	46	21	5	1
30	36-55	36	33	14	11	6
21	55 AND OVER	41	27	19	8	5
1	REFUSED	59	22	0	19	0

Utility Rate Issues

The next table shows that, on the general issue of cost-of-service pricing--the main focus of the third part of our survey--the responses of California residents are essentially the same as those of the public as a whole. This same pattern follows through the whole series of questions on cost-of-service pricing.

Just in general, do you feel that the price of electricity to a consumer should be based totally, mostly, somewhat, or not at all on what it actually costs an electric utility to supply electricity to that consumer?

	Totally	Mostly	Somewhat	Not at all	(Don't know)
National	28%	30	35	4	3
California	29%	31	34	5	2

Looking at demographic breakdowns, we see that middle-aged Californians are more likely than either younger or older Californians to endorse the concept of cost-of-service pricing. Wealthier respondents are also somewhat more likely than their counterparts to back the concept. A complete demographic analysis follows.

Just in general, do you feel that the price of electricity to a consumer should be based totally, mostly, somewhat, or not at all on what it actually costs an electric utility to supply electricity to that consumer?

1. TOTALLY 2. MOSTLY
3. SOMEWHAT 4. NOT AT ALL
5. DK

	Responses = 354	1.	2.	3.	4.	5.
	MARGINALS	29	31	34	5	2
	18. PRICE BASED ON UTILITY'S COSTS					
29	TOTALLY	100	0	0	0	0
31	MOSTLY	0	100	0	0	0
34	SOMEWHAT	0	0	100	0	0
5	NOT AT ALL	0	0	0	100	0
2	DK	0	0	0	0	100
	27. SEX					
50	FEMALE	29	29	34	6	2
50	MALE	30	32	33	4	1
	28. EDUCATION					
8	SOME HIGH	31	30	31	8	0
32	HIGH GRAD	29	30	34	4	2
33	SOME COLLEGE	24	30	41	4	1
27	COLLEGE PLUS	35	33	25	5	2
0	DK	0	0	100	0	0
	29. INCOME					
14	0-9999	17	23	44	14	2
24	10-19999	30	38	31	1	0
56	20K AND OVER	33	30	33	3	2
6	REFUSED	25	28	32	5	10
	30. AGE					
47	18-35	28	34	34	4	1
30	36-55	37	25	34	2	2
21	55 AND OVER	22	33	35	9	1
1	REFUSED	19	19	19	0	44

APPENDIX A

The Questionnaire

On a scale from "1" to "7," where "1" means "not difficult at all" and "7" means "very difficult," I would like you to tell me how difficult you feel the problem of providing an adequate and reliable supply of electricity in your area is. The more difficult you feel the problem is, the higher the number you would give.

1. How difficult today is the problem of providing an adequate and reliable supply of electricity in your area?

	Not difficult at all						Very difficult	[DON'T KNOW]
	1	2	3	4	5	6	7	8
National	25%	14	18	14	16	4	6	1
California	22%	13	16	15	18	7	7	2

2. How difficult 10 years from now do you think the problem of providing an adequate and reliable supply of electricity will be in your area?

	Not difficult at all						Very difficult	[DON'T KNOW]
	1	2	3	4	5	6	7	8
National	11%	7	11	12	17	14	24	5
California	9%	4	10	10	14	17	33	4

I'm going to read you some proposals for ways of providing an adequate supply of electricity, and I'd like you to tell me whether you strongly favor, favor, oppose, or strongly oppose each one.

3. Increasing our use of coal to generate electricity

	Strongly favor	Favor	Oppose	Strongly oppose	(Don't know)
National	23%	57	13	5	2
California	19%	51	19	7	4

4. Building more nuclear power plants to generate electricity

	Strongly favor	Favor	Oppose	Strongly oppose	(Don't know)
National	15%	32	29	21	2
California	18%	31	24	25	2

5. Increased conservation of electricity by individual consumers, business, and industry

	Strongly favor	Favor	Oppose	Strongly oppose	(Don't know)
National	40%	46	8	3	2
California	46%	43	6	4	1

6. On a scale from "1" to "7," how would you rate your electric company overall if "1" means "very, very bad" and "7" means "very, very good"?

	Very, very bad						Very, very good	[DON'T KNOW]
	1	2	3	4	5	6	7	8
National	5%	3	11	18	27	19	18	--
California	5%	5	8	20	23	19	19	1

7. Approximately what is your average monthly electric bill?

	$0-25	$26-50	$51-75	$76-100	$101-125	$126-150	$151-175	$176-200	Over $200	(Don't know)
National	19%	37	17	12	4	2	1	1	2	5
California	38%	30	13	8	1	2	1	--	1	6

8. Generally, would you say that the rates your electric company charges are very high, somewhat high, about right, somewhat low, or very low?

	Very high	Somewhat high	About right	Somewhat low	Very low	(Don't know)
National	28%	38	29	3	1	1
California	26%	33	36	3	2	1

9. Which do you think has gone up more since 1967--the cost of electricity or the cost of most other things?

	Cost of electricity	(Don't know)	Cost of most other things
National	29%	6	65
California	25%	6	70

10. Do you think your electric company sets its own rates, or does a state commission set the rates that your electric company charges?

	Electric companies set own rates	(Don't know)	State commission sets rates
National	42%	9	49
California	41%	8	51

Here are reasons some people give for the rise in electricity prices during the last 5 years or so. Please tell me if you think each of these is a very important, somewhat important, not very important, or not at all important reason for rising electricity prices.

11. Increased costs of fuel used to generate electricity

	Very important	Somewhat important	Not very important	Not at all important	(Don't know)
National	54%	38	5	2	1
California	58%	34	6	2	]

12. Dependence on imported oil as a fuel for generating electricity

	Very important	Somewhat important	Not very important	Not at all important	(Don't know)
National	46%	31	15	7	1
California	45%	34	13	7	2

13. The time it takes to meet environmental and health and safety regulations that are required by the government before a new power plant can be built

	Very important	Somewhat important	Not very important	Not at all important	(Don't know)
National	47%	35	12	5	2
California	44%	33	13	7	3

14. The cost of controlling and decreasing air and water pollution caused by power plants

	Very important	Somewhat important	Not very important	Not at all important	(Don't know)
National	45%	35	15	3	2
California	41%	37	15	5	2

15. The slow-down in constructing nuclear power plants

	Very important	Somewhat important	Not very important	Not at all important	(Don't know)
National	33%	33	23	7	4
California	32%	31	19	15	3

16. The slow pace of conversion to greater use of coal to generate electricity

	Very important	Somewhat important	Not very important	Not at all important	(Don't know)
National	46%	35	13	4	3
California	33%	38	18	8	3

17. Considering all the different ways you use electricity in your daily life and the benefits you receive for what you pay for electricity, do you feel that the rates your electric company charges are very high, somewhat high, about right, somewhat low, or very low?

	Very high	Somewhat high	About right	Somewhat low	Very low	(Don't know)
National	22%	44	30	3	1	1
California	19%	36	40	4	1	--

18. Just in general, do you feel that the price of electricity to a consumer should be based totally, mostly, somewhat, or not at all on what it actually costs an electric utility to supply electricity to that consumer?

	Totally	Mostly	Somewhat	Not at all	(Don't know)
National	28%	30	35	4	3
California	29%	31	34	5	2

19. Do you think that poorer people should pay less for the electricity they use or do you think that they should pay the same rates as other users?

	Pay less	(Don't know)	Pay the same
National	33%	2	64
California	32%	3	64

20. It has been proposed that the government help poorer people pay for a certain basic amount of electricity. Would you strongly favor, somewhat favor, somewhat oppose, or strongly oppose such a program?

	Strongly favor	Somewhat favor	Somewhat oppose	Strongly oppose	(Don't know)
National	26%	34	20	19	1
California	21%	38	18	21	1

21. In many parts of the United States industries that use a lot of electricity pay less than residential electricity users for each unit of electricity they use. Some say it is fair that industrial users pay less for each unit of electricity because it actually costs less to produce, transmit, and maintain this high volume, high voltage electrical service to industrial users than to provide electricity to residential users. Others say this is not fair. Even if it costs less to provide their service, they say industrial users should still pay the same rates as residential users because they can afford higher electricity rates more than residential users can. Assuming that it actually does cost less to provide electricity to industrial users, would you favor a system of charging industrial users less or would you favor charging industrial and residential users the same amount for each unit of electricity they use?

	Favor system of charging industrial users less	(Don't know)	Favor charging all users same amount for each unit of electricity
National	35%	2	63
California	36%	1	62

22. How much effect do you think the electricity rates paid by industry have on the prices they charge consumers for the products they make? Do you feel that industrial electricity rates have a large effect on the prices paid by consumers for products and services, some effect, hardly any effect, or no effect at all?

	A large effect	Some effect	Hardly any effect	No effect at all	(Don't know)
National	25%	55	11	6	2
California	28%	54	10	6	2

23. Some people say that making industrial users pay more for their electricity will help hold down electricity rates for residential consumers. Others say that while raising rates for industrial users may hold down residential electricity rates, consumers won't gain anything in the long run because higher industrial rates will ultimately just be passed along to consumers in the form of higher prices for products and services. Would you strongly favor, somewhat favor, somewhat oppose, or strongly oppose raising industrial electrical rates if in fact, this did lead to increased prices for the goods and services industries produce?

	Strongly favor	Somewhat favor	Somewhat oppose	Strongly oppose	(Don't know)
National	12%	27	29	30	3
California	15%	25	29	28	3

24. Let's say a company is deciding where to build a new factory and has two or three different areas or regions under consideration. Assuming all other costs are relatively equal, do you think the company pays a lot of attention, as they make their plant location decision, to what the electric rates are in each location, some attention, only a little attention, or no attention at all?

	A lot of attention	Some attention	Only a little attention	No attention at all	(Don't know)
National	28%	44	15	12	1
California	31%	40	15	12	2

25. Thinking about this area--would you favor or oppose having industrial users of electricity pay more than it costs to supply them with the electricity they use--thus holding down the increase in residential rates--if this meant that some companies and factories would not expand their operations and increase jobs in this area or might actually move to other areas that have lower industrial electricity rates?

	Favor	(Don't know)	Oppose
National	37%	4	59
California	37%	4	58

26. Let's say there was a clear choice--your own electric rates would go up less rapidly but industrial expansion and the number of new plants and jobs in your area would be reduced. If that were the choice, would you strongly favor, somewhat favor, somewhat oppose, or strongly oppose having industrial electricity users pay more than it costs to supply them with the electricity they use?

	Strongly favor	Somewhat favor	Somewhat oppose	Strongly oppose	(Don't know)
National	9%	26	35	28	3
California	10%	26	32	27	4

I'd like to ask you a few last questions for statistical purposes only.

27. [OBSERVATION] Sex

	Female	Male
National	50%	50
California	50%	50

28. What was the last grade you completed in school?

1. Some grade school (1-8)
2. Some high school (9-11)
3. Graduated high school
4. Technical/vocational school
5. Some college
6. Graduated college
7. Graduate/professional school
8. (Don't know)

	1	2	3	4	5	6	7	8
National	6%	8	37	2	21	17	9	--
California	1%	7	31	1	33	18	9	--

29. In which of the categories I read is the total annual income of this entire household--of everyone living in this house? [READ RESPONSES]

1. $0-6,999
2. $7-9,999
3. $10-12,999
4. $13-14,999
5. $15-19,999
6. $20-24,999
7. $25,000 and over
8. (Refused)
9. (Don't know)

	1	2	3	4	5	6	7	8	9
National	8%	9	7	7	13	14	35	6	2
California	9%	5	6	6	12	13	43	4	2

30. What is your age? [RECORD IN PROPER CATEGORY]

1. 18-25
2. 26-35
3. 36-45
4. 46-55
5. 56-65
6. Over 65
7. (Refused)

	1	2	3	4	5	6	7
National	17%	26	16	17	11	12	1
California	19%	28	18	12	12	10	1

Union Carbide Corporation
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